

# SAMPLE

Surety Bond No. \_\_\_\_\_

## SURETY BOND OF BUDGET SERVICE COMPANY

*Budget Service Company Act*  
(IC 28-1-9)

KNOW ALL PERSONS by these presents that \_\_\_\_\_  
(applicant-licensee name)

of \_\_\_\_\_  
(principal address of applicant-licensee)

as principal (hereinafter "licensee") for the following location(s) or attach list \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ and  
\_\_\_\_\_ (hereinafter "surety"), a surety duly licensed by the  
Commissioner of Insurance of the State of Indiana, as surety, of \_\_\_\_\_

\_\_\_\_\_ (surety's address)

are held and firmly bound unto the State of Indiana, Department of Financial Institutions  
(Department) in the sum of \_\_\_\_\_ thousand  
dollars (\$\_\_\_\_\_) lawful money of the United States for the payment of which, well and  
truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns  
jointly, severally, and firmly by these presents.

WHEREAS, licensee is applying to become or is a Budget Service Company pursuant to IC 28-1-29-3 and IC 28-1-29-6 during the term of the subject license by tender of the within bond,

NOW, THEREFORE, the conditions of this bond are such that if the licensee shall comply with all provisions of the Budget Service Company Act, and the rules and regulations lawfully adopted thereunder, during the term of the budget service company license for which this bond is applicable, and shall pay any and all amounts which become due or owed to the Department thereunder, and shall pay any and all final judgments or orders that become lawfully due to or on behalf of any person who has prevailed in a cause of action against licensee, then this obligation is null and void, but otherwise to remain in full force and effect,

PROVIDED that the surety's aggregate liability for any and all claims which may arise under this bond shall in no event exceed the amount of this bond, regardless of the number of claims or claimants, and

FURTHER PROVIDED that the surety shall have the right to terminate or reduce its liability hereunder only by giving the licensee and the Department of Financial Institutions written notice of such termination or reduction of liability, sent by Certified U.S. Mail to the Department of Financial Institutions at 30 South Meridian Street, Suite 300, Indiana, Indiana 46204 or the Department of Financial Institutions' most current address. Such termination or reduction of liability shall be effective from and after the expiration of 30 days from the receipt of such notice by the Department of Financial Institutions or on such later date as is stated in the notice; provided, however, that no liability incurred while said bond is in force and prior to said effective date of termination or reduction of liability shall be released or reduced by giving such notice, and

FURTHER PROVIDED, that after giving notice of termination or reduction of liability, the surety may reinstate or increase its liability by the execution and filing of a new bond or by mailing written notice to the Department of Financial Institutions indicating that the surety desires to continue as surety for the licensee and that its prior notice of termination or reduction of liability is withdrawn and rescinded.

THIS BOND shall be effective on and after \_\_\_\_\_ (date) or, if left blank, the date of execution by surety shall be the effective date of the bond. The bond shall be effective, if accepted by the Department of Financial Institutions, without further notice.

WITNESS our hands and seals:

LICENSEE OR APPLICANT:

[CORPORATE SEAL]

\_\_\_\_\_  
(Supervised Lender's Name)

By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

**SURETY MUST ATTACH POWER OF ATTORNEY**

[SURETY SEAL]

\_\_\_\_\_  
(Surety)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)